

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01

CIAE-00 COME-00 DODE-00 FPC-01 H-02 INR-07 INT-05

L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-15 OES-07

SP-02 SS-15 STR-04 TRSE-00 ACDA-10 /117 W

-----047703 030114Z /63

R 021736Z AUG 77

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 6755

UNCLAS LONDON 12759

E.O. 11652: N/A

TAGS: ENRG, UK

SUBJECT: BENN AGAINST LONG TERM CONTRACTS FOR NORTH
SEA OIL

1. SECRETARY OF STATE FOR ENERGY TONY BENN ANNOUNCED
IN THE HOUSE OF COMMONS JULY 28 THAT OIL COMPANIES ARE
TO BE TOLD BY THE GOVERNMENT NOT TO FIX LONG TERM
CONTRACTS FOR THE SALE OF NORTH SEA CRUDE OIL. BENN
SAID "IT IS REASONABLE FOR THE GOVERNMENT TO EXPECT
OIL COMPANIES TO KEEP LONG TERM OPTIONS OPEN AND NOT TO
COMMIT SUBSTANTIAL QUANTITIES OF NORTH SEA CRUDE FOR
MORE THAN TWO YEARS AHEAD TO MARKETS EITHER AT HOME OR
ABROAD". THE FINANCIAL TIMES NOTES THAT WHILE THE
GOVERNMENT HOPES TO OBTAIN VOLUNTARY AGREEMENT IT DOES
HAVE THE RESERVE POWER TO CONTROL MARKETING OPERATIONS
IN THE NATIONAL INTEREST, UNDER THE ENERGY ACT. THE
PAPER SAYS ONE REASON BEHIND THE MOVE IS CONCERN IN
WHITEHALL THAT LONG-TERM CONTRACTS COULD UNDERMINE
THE FUTURE MARKETING ACTIVITIES OF THE BRITISH
NATIONAL OIL COMPANY. BNOC WILL HAVE THE OPTION OF
BUYING CONSIDERABLE QUANTITIES OF NORTH SEA CRUDE IN
THE 1980'S AND BENN DOES NOT WANT TO SEE THESE OPTIONS
PRE-EMPTED.

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BREWSTER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: OILS, SALES, POLICIES, CONTRACTS
Control Number: n/a
Copy: SINGLE
Sent Date: 02-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON12759
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770277-0432
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197708107/aaaadmuv.tel
Line Count: 57
Litigation Code IDs:
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 50e59e4f-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1420959
Secure: OPEN
Status: NATIVE
Subject: BENN AGAINST LONG TERM CONTRACTS FOR NORTH SEA OIL
TAGS: ENRG, UK, (BENN, TONY)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/50e59e4f-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009